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NEWS RELEASE

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KOOTENAI COUNTY BENEFITS FROM \$86.5 MILLION DOLLAR INVESTMENT FROM THE DEPARTMENT OF HEALTH & WELFARE

Last year, Kootenai County residents and businesses received \$86.5 million from Department of Health & Welfare programs that help people in need. The investment benefits every one of the county's 117,000 residents. Of Idaho's 44 counties, Kootenai County ranks number 27 in per capita outlay of Health & Welfare dollars.

The investment of state and federal tax dollars amounts to \$736 for every man, woman and child residing in Kootenai County. This includes citizens who may not receive a single direct service from the Department. The statewide average is \$839 per capita.

The Department distributed \$1.15 billion in Idaho communities in 2004. These funds came from Medicaid, additional payments to hospitals, Food Stamps, the Idaho Child Care Program, the Women, Infants and Children nutritional program, foster care and a variety of other assistance programs.

"This is an investment for all Kootenai County residents," says Health & Welfare Director Karl Kurtz. "These are tax dollars put to good use because they are used to help people become healthy and productive and less dependent on government assistance. This money goes go to foster care for children in crisis, substance abuse treatment for adults and adolescents, improvements and operations at the local hospital, and dozens of other badly needed services."

"This is as much about sustaining communities as it is investing," adds Kurtz. "By providing programs that support people, we are helping communities and their residents build the endurance and strength they need to remain vital. Everyone profits from this investment, not just those who use Department programs. This isn't just me pounding my chest. That's what community leaders tell us."

Kootenai County Commission Chairman Gus Johnson says, “The (programs) are vital for every county. It’s vital to have these dollars come in to keep the county running. These are dovetailed programs — ICCP, Food Stamps and others. You have to have all these programs in place or the individual ones don’t work. People without a good salary need to have some help like Food Stamps and day care. These programs are an investment. I believe they create jobs. We need to use a lot of common sense. Without Medicaid, for example, we are far over our indigent budget. The indigent (fund) is a crusher. If they change Medicaid for us, it’ll hurt.”

Last year, the Department’s Medicaid Division spent \$70 million on health care for residents of the county — \$1 million more than in 2003. A large share of the dollars go to drug stores like Interlake Pharmacy in Coeur d’Alene. “It’s a vital service provided to the community,” says pharmacy owner Tim Brown. “Medicaid is significant, about 25 percent of my business. The money goes to pay salaries and all the normal business costs like utilities. We like having the business. It’s undoubtedly an investment in the community or any community in the state.”

The story is much the same at Kootenai Medical Center which received more than \$1.4 million in extra payments called Federal Upper Payment Limits and Disproportionate Share. The payments help compensate hospitals for low Medicaid reimbursement and can be used for any purpose, so they have the potential of benefiting anyone who uses the hospital, not just Medicaid clients. “It’s pretty important money to us. I’d like to keep it coming,” says Chief Executive Officer Joe Morris. “We have the only inpatient mental health facility in northern Idaho, so the five county area uses us for clients with psychiatric and substance abuse problems. We also provide school nurses to some school districts. The extra payments get mixed into one pot, but it’s mostly used for operations and other necessary community operations that lose money.” All Medicaid payments to the hospital totaled \$10.9 million.

Kootenai County residents also received \$6.9 million in Food Stamps to help feed their families — \$1.2 million more than in 2003. In addition, the number of people served by Food Stamps totaled 7,100 in 2004 — an increase of 800 over the previous year. Local grocers received \$4.8 million of the Food Stamp dollars, including Tidyman’s in Post Falls, which redeemed \$193,000.

Patty Kilcup is Director of Consumer and Governmental Affairs for the company, headquartered in Spokane, Washington. How important are Food Stamps dollars to their bottom line? “We value all our customers, so they (Food Stamp recipients) are as important as all our other customers,” she says.

Food Stamp receipts account for between three and a half and five percent of annual sales. “It definitely allows us to sustain our work force, and it could create more jobs,” Kilcup says. “We are seeing a trend where EBT (Electronic Benefit Transfer) dollars are growing.”

She says if they didn’t have this money, “It would adversely impact the business. We staff on labor to sales, so if we didn’t have the sales, we would reduce labor.”

Department spending helps people, and it has an upside for business, according to Idaho economist John Church. “This is not lost money. The spending is an investment. It goes back into the economy. If an employer came to town and spent this much money we would be elated. People need to remember that a big chunk of this is federal money which is a huge return on our taxes. This comes back and helps stimulate the economy and it helps people.”

Kurtz says, “Not only is the Department money a human investment, but it creates jobs and maintains healthy businesses. These dollars recycle numerous times in each community and help us keep the high quality of life we enjoy in Idaho. This is a wise use of taxpayer dollars because the money spent in the community often stays in the community. The dollars are spent again and again to help create jobs and an infrastructure that provides healthy and safe neighborhoods.”

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(**Editors:** Interviews are available on request. Contact Ross Mason at 334-0693 or Regional Director Michelle Britton at 755-3772 for more information.)

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investment in every Idaho County
can be found online at
<http://www.healthandwelfare.idaho.gov>**